Lt. Governor



MARYLAND DEPARTMENT OF GENERAL SERVICES

FACILITIES OPERATIONS & MAINTENANCE • FACILITIES PLANNING, DESIGN & CONSTRUCTION
PROCUREMENT & LOGISTICS • REAL ESTATE

As a result of the passing of House Bill 456 (Chapter 539 of the Acts of 2012) during the 2012 Legislative Session, the definition of Small Business for the State of Maryland has changed. These changes subsequently affect the qualification criteria for the Maryland Small Business Reserve Program.

Beginning October 1, 2012, the following shall define a Small Business:

A certified minority business enterprise, as defined in the Annotated Code of Maryland Section 14-301, that meets the criteria specified under paragraph (2) of this subsection; or a business, other than a broker, that meets the following criteria:

- (i) the business **is independently owned** and **operated**;
- (ii) the business is not a subsidiary of another business;
- (iii) the business **is not dominant** in its field of operation;

AND

- (iv) 1. A. the <u>wholesale operations</u> of the business did not employ more than 50 persons in its most recently completed 3 fiscal years;
 - B. the <u>retail operations</u> of the business did not employ more than 25 persons in its most recently completed 3 fiscal years;
 - C. the <u>manufacturing operations</u> of the business did not employ more than 100 persons in its most recently completed 3 fiscal years;
 - D. the <u>service operations</u> of the business did not employ more than 100 persons in its most recently completed 3 fiscal years;
 - E. the **construction operations** of the business did not employ more than 50 persons in its most recently completed 3 fiscal years;
 - F. the <u>architectural and engineering</u> services of the business did not employ more than 100 persons in its most recently completed 3 fiscal years;

- 2. A. The gross sales of the <u>wholesale operations</u> of the business did not exceed an average of <u>\$4,000,000</u> in its most recently completed 3 fiscal years;
 - B. The gross sales of the <u>retail operations</u> of the business did not exceed an average of <u>\$3,000,000</u> in its most recently completed fiscal years;
 - C. The gross sales of the **manufacturing operations** of the business did not exceed an average of **\$2,000,000** in its most recently completed 3 fiscal years;
 - D. The gross sales of **the service operations** of the business did not exceed an average of **\$10,000,000** in its most recently completed 3 fiscal years;
 - E. The gross sales of the **construction operations** of the business did not exceed an average of **\$7,000,000** in its most recently completed 3 fiscal years; and
 - F. The gross sales of the <u>architectural and engineering</u> services of the business did not exceed an average of **\$4,500,000** in its most recently completed 3 fiscal years

Beginning October 1, 2012, many businesses which previously did not pre-qualify for the Maryland Small Business Reserve certification may now be eligible.

Please monitor the NEWS feature on your eMaryland Marketplace desktop for additional forthcoming information regarding changes to the Maryland Small Business Reserve Program.